

MINUTES

PUBLIC WORKS / PARKS & RECREATION COMMITTEE

April 17, 2013

A meeting of the Public Works / Parks & Recreation Committee of the Council of the County of Kaua'i, State of Hawai'i, was called to order by Councilmember Ross Kagawa, Chair, at the Council Chambers, 4396 Rice Street, Suite 201, Lihu'e, Kaua'i, on Wednesday, April 17, 2013, at 12:06 p.m., after which the following members answered the call of the roll:

Honorable Tim Bynum
Honorable Gary L. Hooser
Honorable Nadine K. Nakamura
Honorable JoAnn A. Yukimura
Honorable Ross Kagawa
Honorable Mel Rapozo, Ex-Officio Member (*excused at 4:54 p.m.*)
Honorable Jay Furfaro, Ex-Officio Member

Minutes of the April 3, 2013 Public Works / Parks & Recreation Committee Meeting.

Upon motion duly made by Councilmember Bynum, seconded by Councilmember Hooser, and unanimously carried, the Minutes of the April 3, 2013 Public Works / Parks & Recreation Committee Meeting was approved.

The Committee proceeded on its agenda items:

PWPR 2013-10 Communication (04/03/2013) from Committee Chair Kagawa, requesting the presence of the County Engineer and the Chief, Engineering Division, Department of Public Works, to provide an update on all County bridge projects, to include, but not be limited to, the Department's plan to maintain the historic nature of historic bridges, nature of repairs/rehabilitation, and targeted completion dates. **[This item was deferred.]**

Chair Kagawa: Seeing that the County Engineer is not here right now, members of the public, would you want to offer testimony? What we can do is have a deferral for two (2) weeks and I will ask that we take up both of these items. We will do the swimming pools first because I think the swimming pool item will be faster and then we will do the bridges after because the bridges will be lengthy. We can ask members if we can take those items up in two (2) weeks first. Does anybody from the public want to testify?

Ms. Yukimura: Are we on the swimming pool or the bridge?

Chair Kagawa: I am on the bridge, item PWPR 2013-10.

Mr. Furfaro: Why do you not go up to the microphone so you can go to your ball game, Glenn?

Chair Kagawa: Glenn, go ahead.

There being no objections, the rules were suspended to take public testimony.

GLENN MICKENS: Thank you, Ross. Yes, I have been on this bridge thing since 2003 so I do have something to say. I will make this testimony to the point and as brief as possible. The two (2) bridges, Pu'u'ōpae and 'Ōpaeka'a, and the other one, I think it is already underway or something to be rebuilt or whatever you want to call it, were ready to be done in 2003-2004 and Mayor Baptiste wanted them to be two (2) lanes. The FEDs mandated that their eighty percent (80%) share of the funding for the bridges had to be two (2) lanes to meet their safety standards. Then a group of people along with Councilmember Yukimura got the project stopped at the eleventh hour so that the bridge could be put on the Historic List. Since this issue is time sensitive and the stoppage delayed the operation past that time, we were forced to give back one hundred fifty-one thousand seven hundred dollars (\$151,700) to the FEDs and forfeited thirty-seven thousand nine hundred dollar (\$37,900) of local money, a total of one hundred eighty-nine thousand six hundred dollars (\$189,600) of tax money completely wasted. This project began in 1996 and the bridge cost at that time was about six hundred sixty-five thousand dollars (\$665,000). In 2003-2004 the cost of building the bridge was two million dollars (\$2,000,000) but in 2008, our County Engineer Donald Fujimoto, told the Council that the cost would be five million dollars (\$5,000,000) or ten million dollars (\$10,000,000) for these two (2) bridges. Mel had these figures on his blog so it can be verified. Thus the delays have caused skyrocketing cost and red tape that should have been done years ago. But the latest delay, due to historical purposes, historical over safety is really as, Mike Marshall said at a bridge meeting, a no-brainer and it is inexcusable reason for the delay and added costs. Now we have Section 106 to contend with, where as the bridges could be built long ago with proper leadership, like a County Manager, if we have a County Manager. Let me read you a letter of 12-30-11 from Alvin Takeshita, State Highway Engineer about these bridges which I spent many hours on while researching this issue. I have a lot more correspondence that I have compiled in years regarding these bridges. But I think the Mr. Takeshita case makes the case why these bridges need to be two-lane, my argument completely. As with Multi-Use Path, I have absolutely no dog in either fight and I hope all of you remember this when I testify. My sole concern is for the best use of taxpayers money and for the safety of the people. Finally, and I hope when we do make the decision to do these bridges, they are going to be Acrow or the Bailey type bridge so that we do not waste millions of dollars like we did with the Olohena and Kilauea Bridge. This is what Mr. Takeshita said, thank you for your request of December 15, 2011, regarding accident in one-lane versus two-lane bridges. As requested, we used more recent accident data, they had at the time they gave this JoAnn sent him a thing asking the same question.

Chair Kagawa:

First three (3) minutes, Glenn.

Mr. Mickens: Thank you. It says something about three (3) to one (1) and now he does that. The major accidents used for this study were located through a bridge inventory provided by our Bridge Design Section. Accidents that were reported at other locations (other than what was provided by our Bridge Design Section) or could not be clarified as one-lane or two-lanes were not counted. We found that there are still more major traffic accidents on one-lane bridges versus two-lane bridges. This study was conducted on twelve (12) one-lane bridges and forty-one (41) two-lane bridges on Kaua'i and that was verified by our Police Department. We found that one-lane bridges had a rate of 2.33 accidents per bridge. Two-lane bridges had a rate of 1.24 accidents per bridge. The accidents occurring at one-lane bridges are close to twice as much as two-lane bridges. Hanalei Bridge, understand this because somebody sat here one night saying that

Hanalei Bridge had never had an accident. Hanalei Bridge contributes to fifty percent (50%) of the accidents that occurred at the one-lane bridges used for this study. Through my previous years of traffic engineering experience and verified by this recent study update, it is understandable that one-lane bridges would have traffic flow operational concerns. The study verifies that one-lane bridges have had a higher accident rate than two-lane bridges. Any questions please contact him.

Anyway, all we are basically talking about here is historical over safety. I defy anybody in this chamber to tell me that historical would be more important than the safety of people going over those bridges. This is their research, not mine. But this is their research and our Police Traffic Department. So, that is my testimony and I really appreciate you bringing this forward, Ross.

Chair Kagawa: Thank you, Glenn. Well, we just came out of budget and we were going into detailed questions and it seemed like we were going to go forever because there was a lot of concerns about the condition of our bridges, the need for repair, and the condition of a lot of our bridges. We have a lot of old bridges and that is why...

Mr. Mickens: Well, I have pictures here from the Acrow people when they took it, of the old 'Ōpaeka'a Bridge. The word was that at that stage in the game, he said he had seen bridges in that bad a shape before, but they were not operational. Now this bridge is still operational, although they did come back I guess and Mel wanted to get emergency funds at that time to go over and fix the bridge. Nobody wanted to do anything, so they finally put a beam under the thing, I think, that has propped it up. But if you go take a look at that bridge, it is in horrible shape and needs replacing. As we sit here waiting from 1996 to today, the prices have skyrocketed on those things. The tax people are going to say well why did we not take care of it? Why was somebody not pushing to get it done at that stage of the game? We sit here, we talk it.

Mr. Furfaro: Excuse me, Glenn. I think this item is going to come back. Since the question was not posed to you, you cannot add on to your narrative.

Mr. Mickens: Sorry, Jay.

Chair Kagawa: Thank you, Glenn. Anybody else from the public wishes to speak? Again, I know there is members of the community who have been waiting a while and thank you Elsie. Elsie, I assure you, in two (2) weeks, we will have this item up first so that way you do not have to wait until I do not know when. Today, after we go into Executive Session like I said, that could really go long. Thank you Elsie, please state your name.

ELSIE GODBY: I will try to go real fast. The article about the Haleiwa Bypass Bridge, just a big article about it. But I want to read this one (1) paragraph. One (1) of the most memorable visual icons on O'ahu is the Historic Haleiwa Bridge. Once you have seen its graceful curves and traveled across its narrow roadway it tends to stick in your mind forever. The Wailua original bridge looked like this and it is sort like of like Haleiwa Bridge, too. I understand Haleiwa had two (2) of these bridges and they kept one (1) of them and I guess tried to resolve their problems with the other one. But anyway, see how nice the Wailua Bridge was? Look at how it is now. This is what the Hanapēpē Bridge looks – an artist rendition. The elevated cross pedestrian walkway is the thing in contention right now because Public Works presented at the community meeting, they wanted

to lower it. So, it would change the entire looks of this bridge. The economic engine for Hanapēpē is the historic preservation of the town if it is done authentically. We have a head start on that any more than any other town, ironically by being neglected. Businesses come and go. The survivors will have the benefits of a truly historic town that will be the attraction and education for business, tourists, and our children. Kapa'a and Waimea are historic towns, economically viable because the main highway runs right through them. But they do not have the ambience of a historic town. Hanalei will always have its fantastic scenery, mountains, and Nā Pali no matter what. Why not have a real preservation project? The town that does not have a highway running through it is not economically as valuable, but value is in it is truly historic structures. Many of them are original or will be eventually. Have you been to the east coast? In those places history is in your face. You can carry it to the extreme by Williamsburg. But with no money like the Rockefeller money, forget that. We just want Hanapēpē to be real with real people there and just an original small town.

Chair Kagawa:

You have three (3) more minutes Elsie.

Ms. Godby:

If California can build a highway over the ocean and claim how wonderful the experience to drive the ocean will be and is, why can our bridge not be structurally strengthened to preserve the elevated walkway? It is unique. Keep the roadway one-lane as it is now, with some space for Americans with Disabilities Act (ADA). Do not forget we always have another bridge right next door. John Nickelson of the Federal Highway Administration explained Section 106 which is spelled in detail in Federal Regulation 36. The four step process is Step 1: initiation of process of undertaking, Step 2: identify points of interest, Step 3: if there is an adverse effect, try to avoid it, Step 4: resolution. If it remains in effect, it is spelled out in the Memorandum of Agreement (MOA) which will be signed by the Federal Agency, the Historic Preservation Office and the Advisory Council of Historic Preservation. There may be participants such as the community. The Hanapēpē community is definitely concerned with this situation. More than five hundred (500) residents of Kaua'i have signed a petition. Therefore the Hanapēpē community is a concerned party and should be among the signatories of the Memorandum of Agreement. As to the four (4) stated steps to MOA, Public Works said, "Yes, yes, yes. We have done all of that." We would like to have an explanation to those answers from Public Works, who, where and why? The Hanapēpē Town Core Revitalization Program was prepared for the County Office of Economic Development. This study was done twice by Spencer Mason Architects. Once about thirty (30) years ago in the 1980's when our Main Street Program was established and in 1995, by the County. In this study under "bridges" page 313 states, which is this County sponsored book on planning, both the Hanapēpē Highway Bridge and old Hanapēpē Bridge are eligible for listing on National Register of Historic Places. They very important elements of history and character of the town since they proved an essential link between East and West Hanapēpē and the whole island as a matter of fact. Further, it is only at the bridges that visitors become aware of the river. Recommended, similar standards and principles to those outlined in the design guidance for buildings should be applied to the preservation of the bridge structures. The original features of the bridges should not be removed or altered. This includes the railings, parapets, and end piers. The roadway should not be widened and so forth. It is all in this book.

Chair Kagawa:
of your testimony?

Elsie, your time is up. But can we get a copy

Ms. Godby:

Yes.

Chair Kagawa: We have three (3) more minutes basically. We have one (1) more person that can speak for three (3) minutes, then we have to take a caption and a lunch break. Again, we are going to defer until two (2) weeks at 9:00 a.m.

Ms. Godby: Ross, just do not forget this book. It is paid for by the County and it is a complete study of historic town of Hanapēpē, and references, and a list of qualified historic engineers, architects, and all that.

Chair Kagawa: Thank you, Elsie.

Ms. Godby: Thank you.

Mr. Furfaro: Mr. Kagawa, may I make a housekeeping announcement real quick?

Chair Kagawa: Go ahead.

Mr. Furfaro: First of all, members for the next Committee Meetings, it is in our rules that we follow the protocol by the Committees as assigned. I have looked at the various Committees and Mr. Hooser, yours is the only one (1) that seems to have any major item coming up in two (2) weeks and that would be the next legislative update. If members would be willing to call their meeting to recess, that is the only way we can get to Ross to be first in item on the agenda. There are no critical items in two (2) weeks. Can I have a basic agreement at this point that you would call you Committee in order and recess? Okay, so that you can be first in two (2) weeks.

Chair Kagawa: Thank you, members. Thank you, Mr. Chair. We have one (1) more speaker before our break. Please introduce yourself.

RAYNE REGUSH: I am glad this topic is on your agenda and that I can attend and took the day off to do so. I hope you believe, as I do, that we need to ensure that Kaua'i does not suffer further loss and destruction of our islands historic bridges. In an effort to preserve significant sites of historical sites of value to the people of Kaua'i State policy makers created Chapter 6E of the Hawai'i Revised Statutes (HRS) back in 1976. I am just going to quote a portion of it. The Legislature declares that the historic and cultural heritage of the State is among its most important assets and that the rapid social and economic developments of contemporary society threaten to destroy the remaining vestiges of this heritage. The Legislature further declares that it is in the public's interest to engage in a comprehensive program of historic preservation at all levels of government. My question to Public Works is why are not aligned with this policy at least in regard to the Kawaihau District especially since our General Plan places such importance on preserving on rural character and historic preservation of our one-lane bridges will do just that. Hopefully the Council can serve a messenger for change and help secure the repairs for these historic bridges in a way that preserves their heritage. Kaua'i's early history is fundamentally tied to these one-lane bridges and engineers who are experienced in preservation techniques can restore these bridges to provide well functioning, safe structures that retain their historic value and accommodate the weight of seventeen (17) ton emergency vehicles. But in spite of public sentiment and concern for those legacy bridges Public Works seems to be pre-disposed to not preserving them as historic structures. Even back in 2008, Representative Mina Morita wrote to the County Engineer asking them to preserve and protect community corridors to retain a sense of scale, context, and

place to maintain the character of a local. Then regarding Kapahi Bridge, I apologize for speaking so quickly. Kapahi Bridge, the State Historic Preservation Division wrote just in May of 2012 that they prefer the bridge retain the existing look and feel and this quote, "includes matching the existing bridge with the fourteen (14) feet not twenty-two (22) feet, with bike lane and curb sidewalk, have rehabilitated steel girds, a timber covered concrete deck, and railings that match the existing and so forth." Also, in the recent Architectural Survey Report that as presented to Kaua'i Historic Preservation Review Commission a month ago, the author minimizes the value of Kapahi bridge and they state, "within the National context, Kapahi Bridge lacks sufficient integrity to be considered significant. Statewide, few of these timber bridges remain in the islands as a result of a deliberate policy by the territorial Highways Department and County Departments to replace timber bridges with permanent low maintenance concrete structures and better representation of timber bridges are on the island of Hawai'i." But I believe from the perspective of Kaua'i residents that the bridge is significant. Why would we not want to preserve the historic character of our island's remaining timber bridge. Before I forget, I have a photo from Google Earth and it is a street view of Kapahi Bridge. In the photo we have four (4) children, an adult, a bogey board in the stream, a tent, a table, a barbeque next to their vehicle parked along the bank and it is a classic picture of a family recreating. I just wonder if residents would be recreating here at this bridge if the bridge was wider, bigger, faster? I can pass this around and all the one-lane bridges around this island, particularly Kawaihau District, they are unique and they are valuable assets to our community. *Mahalo* for your consideration.

Chair Kagawa: Thank you, Rayne. Again, we will discuss it in two (2) weeks. I think your testimonies, both Elsie, yourself, and Glenn, it is going to prepare Public Works because I think they are all watching and they will be asking the questions that you have asked.

Ms. Regush: *Mahalo.*

There being no objections, the meeting was called back to order, and proceeded as follows:

Chair Kagawa: *Mahalo.* Thank you. With that, can we have a motion to defer for two (2) weeks?

Upon motion duly made by Mr. Bynum, seconded by Ms. Yukimura, and unanimously carried, PWPR 2013-10 was deferred.

Chair Kagawa: Our time is up.

Mr. Furfaro: Ross, you have to defer your pools, too.

Chair Kagawa: Well, the pools, I will talk to her during the break. We will see what we will do.

Mr. Furfaro: It is your Committee, you can do what you want.

Chair Kagawa: With that, we will recess for lunch and we will be back at 1:30.

There being no objections, the Committee recessed at 12:48 p.m.

The Committee reconvened at 4:10 p.m., and proceeded on its agenda items as follows:

PWPR 2013-11 Communication (04/04/2013) from Committee Chair Kagawa and Council Chair Furfaro, requesting the presence of the Director of Parks and Recreation to provide an update on the repair and maintenance of the swimming pool facilities located in Kapa'a and Waimea, along with the status of the plans to relocate the Kapa'a Swimming Pool to a new location. **[This item was deferred.]**

Chair Kagawa: I am not going to ask for a motion. My plan is to ask that we defer this item. But I wanted to get an update because a community member that uses it every day said she really wanted to hear the update on Kapa'a Pool and her name is Pam Baligad. She said she uses the pool every day with her children. I am going to ask Lenny if he can please give an update on Kapa'a Pool only today and our plans to fix it up.

There being no objections, the rules were suspended.

LEONARD A. RAPOZO, JR., Director of Parks & Recreation: I can show half of the PowerPoint that I prepared which involves the Kapa'a Swimming Pool.

Chair Kagawa: Thank you Lenny. That is great, I see the pictures.

Mr. Rapozo: These are just some of the pictures that we have documented as what has happened to the swimming pool recently. A lot of this is attributed to cracking here, which inside of the rebar seems to be rusted out which has expanded the columns which it sits within. This is the column that most people have heard about recently, that it exploded, and fell to the floor. These are the corners or the building that has deteriorated over time. As you can tell, really a lot of this stuff has we talked before did not happen overnight. It has been over a period of years that we really neglected the maintenance of this facility. With that being said, what we plan to do with this, we are looking at purchasing some trailers and in these trailers, this is the part of the design where we will have two (2) ADA *luas* and a changing area. So, these are some of the plans that we are looking to purchase these. We have looked all over the internet trying to see what was available through Hawai'i Modular. We have been in discussion with them. This is similar to what was at courthouse, those portable restrooms that they courthouse, they built those. These are made to order. What we hope to do is to demo. This is a demolition plan, of the site plan, of what we plan do. This area here is the pump room and we talked about the filters and the sand filters and the pumps. This seems to be in decent shape. The pool itself is in very decent shape, it is still usable. It is these areas here in the pictures that have become very, very unusable and became a safety hazard. What we are planning to do and we have been in discussions and we got a bid from Pacific Concrete Cutting & Coring (PCCC), is to cut the building along this area here and cut here, take it down to the slab. Then with the purchase of these trailers, put them on slab and tie in all of the utilities until we are able to cite a new place and construct a new pool. Meantime, we have ADA Porta-Potties here for the public to use and here, with Public Works we put outdoor showers for people to wash off so that the pool is still usable by the public. Again, this is just another picture of the demolition detail as to what we are moving

forward with. You are right, every day we have community people at the swimming pool. They have a morning water exercise class that is always there at about 7:30 a.m. So, we are trying to minimize as much disruption and with the demo, there would possibly be a disruption of approximately two (2) weeks when the demolition will take place and closure of the pool would happen. That is the plan as we speak of today.

Chair Kagawa: Thank you, Lenny. Thank you for the drawings and the pictures. Members, any questions? Councilmember Yukimura.

Ms. Yukimura: Yes, thank you. I am glad to see there are plans for fixing the damage which looks terrible and most of all, the disruption to use is unacceptable. So, thank you. I guess, what is causing the structural problems there, like that explosion?

Mr. Rapozo: Just deterioration and lack of proper maintenance.

Mr. Furfaro: I think what you have there is a typical spall problem. What spall is, when you have a cast iron rod poured into hollow tile and/or surrounded by cement and the rod gets wet, it begins to rust. When it rusts, it expands and when it expands it cracks the foundation that it is in. That is referred to as a spall repair. I want to make you understand, if you are going to continue with some of those pieces, blocks that have the iron in them, there is a special corrosive paint that needs to be treated on those bars. Many hotels do it. It is a product that is available because they do it with their guest room railings that are poured into concrete. They treat it that way. But it is a spall, it is an expansion of the pipes.

Mr. Rapozo: Yes, you are right and exactly what the Chair said. But the building is in such disrepair that we are going to cut it and take just out that part that has been deteriorated. Then there needs to be some cosmetic work done, for lack of a better term, because once we cut it, I have spoken to Public Works, they would come in and finish the touches on the roof, put an eyebrow around, and make it presentable.

Ms. Yukimura: So, it is not an issue of say, the earth beneath the foundation or wave action against the pool, that is not the issue?

Mr. Rapozo: It does not appear to be.

Ms. Yukimura: Then the other issue for me is at a certain point, whether it is Police and Transportation know this well, after a certain point the repairs get so much that you have to buy a new car. I guess what the long-range plans for the pool are, are my concern and I do not know if we need to discuss it today. But perhaps, when you are coming back with the Parks plan – did we ask you to come back with a draft of the Parks plan?

Mr. Rapozo: The consultant will make one (1) more presentation to the body when the final report is ready.

Ms. Yukimura: Presumably there is some long-term plan for the pool in Kapa'a, that is I am concerned about. Will you be able to address that at another point?

Mr. Rapozo: Yesterday during the Capital Improvement Projects (CIP) review, there was a proposal to site a new pool with the intent to move and construct.

Ms. Yukimura: Okay.

Mr. Rapozo: That is in our current CIP. We put it in last year. It was not funded this year, we re-submitted it again.

Ms. Yukimura: Very good, thank you.

Chair Kagawa: Any more questions, members? Chair Furfaro.

Mr. Furfaro: Lenny, I want to ask you, is there any way because I heard the pool being closed for two (2) weeks.

Mr. Rapozo: Yes.

Mr. Furfaro: Is there any way, because the pump and filter system seems to be holding up pretty good, is there a way since the pool is already closed on Mondays, that the pool would be closed for these repairs Monday, Tuesday, Wednesday, Thursday and the contractor could work ten (10) hour increments and then the pool is open Friday, Saturday, Sunday for the families? Is there any thought along that line?

Mr. Rapozo: Yes. Part of the reason why it has taken so long with the demolition is that I was in conversation with the contractor that we went out to get, the Best Management Practices (BMP). How effective can we prevent the dust from entering the pool in the current water? Then running that through the pump system and I am not sure that we can eliminate that totally other than by draining the pool, giving it a good scrub down, and putting new water inside. That might be the most effective way to prevent failure on the pump side although it would be an inconvenience to the public. But that is a good thought and I did not think about that.

Mr. Furfaro: Maybe you are going to have to do it two (2) ways. If the repair is going on and the pool is closed on Monday, Tuesday, Wednesday, Thursday, you have to run the pumps because you cannot let the dust accumulate.

Mr. Rapozo: Yes.

Mr. Furfaro: And a lifeguard should still be there to be skimming the pool. Now, typically when you empty the pool it is about doing re-plastering.

Mr. Rapozo: Yes.

Mr. Furfaro: And unless we are thinking about re-plastering the pool at the time that we are finishing the lavatory and the pavilion, I mean, that would be an ideal time to drain the water and plaster the pool at the same time. But, I just wanted to throw it out there as an idea.

Mr. Rapozo: Chair, just so you know, annually, we drain the pool and the boys go in there and we scrub everything. So, that is part of the pool maintenance.

Mr. Furfaro: They acid wash it and everything. I do know that. But the pool is getting to a time in exposure that it is close to being in need to re-plaster and the pool should be re-plastered in ten (10) year cycles. Thank you, Mr. Kagawa.

Chair Kagawa: Any other questions, members?
Councilmember Nakamura.

Ms. Nakamura: Lenny, I wanted to ask about the middle center that holds the equipment.

Mr. Rapozo: Oh, okay.

Ms. Nakamura: How do we know that the integrity of the structure is okay because I know that is where the lifeguards hang out?

Mr. Rapozo: One of the fortunate things that I have is that our Deputy is an engineer and I asked him if we could do a report. It looks to be done really well, I mean, it looks to be good. We did a visual thing. I asked Public Works, Doug Haigh to come and examine it. It looks like it is decent shape. The wood and everything looks to be decent shape. The cross beams look to be in good shape.

Ms. Nakamura: When we remove the bathrooms on both sides, how many would you replace it with? How many would you be taking out and then how many under that plan? I could not quite tell.

Mr. Rapozo: Just two (2) on both sides

Ms. Nakamura: Two (2) on both sides, so we will have four (4) total bathrooms?

Mr. Rapozo: Yes.

Ms. Nakamura: Then how would the shower area be set up?

Mr. Rapozo: The shower will continue to be an outdoor shower in this area here that it currently is, facing the ocean. We did a temporary shower right now. We actually closed both bathrooms. So, allow people to shower and we have two (2) Porta-Potties on this side.

Ms. Nakamura: The showers would remain the same?

Mr. Rapozo: Yes.

Ms. Nakamura: The showers are for men and women?

Mr. Rapozo: Yes. It is open like you would go to the beach park.

Ms. Nakamura: It would be open?

Mr. Rapozo: Yes.

Ms. Nakamura: Is there a changing area as well?

Mr. Rapozo: Right now, there is not because we have Porta-Potties. People change in the room. ADA Porta-Potties is enough room.

Ms. Nakamura: That would be the plan afterwards as well, that they could change in...

Mr. Rapozo: You could change in this area here. You would have an area around in here to change. This is one (1) trailer.

Ms. Nakamura: What is on the opposite side of the trailer?

Mr. Rapozo: This is going to be like the changing area.

Ms. Nakamura: So, there is a separate area?

Mr. Rapozo: Yes, within the same – it is two (2) trailers put together. Then we have the *luas* here, enough to accommodate ADA, and then changing area here.

Ms. Nakamura: That is good because I think that is what is needed is the separate – you do not want the people changing and holding up the bathroom space or taking up that.

Mr. Rapozo: Yes.

Ms. Nakamura: That is good.

Chair Kagawa: Councilmember Yukimura.

Ms. Yukimura: How long has this project been on the books?

Mr. Rapozo: We have been working on it since about February.

Ms. Yukimura: So, excuse me and my ignorance, but the pool has been open.

Mr. Rapozo: Yes. Initially we closed just one (1) side.

Ms. Yukimura: After the explosion, so to speak?

Mr. Rapozo: After the thing fell apart and we continued to use one (1) as we looked at other options. But then it became apparent this side, the men's side – what we did was we installed the door with a lock and it became unisex. But then it became apparent that both sides – this one is bad, this one has potential to be as bad as the women's side. So, we just closed both. In the meanwhile, we started the process.

Ms. Yukimura: Was this really an explosion?

Mr. Rapozo: Not a boom explosion. But we had workers there that heard the boom and it fell apart and it hit some of the lavatories, the sinks, that is why I put a picture in there that shows the sinks.

Ms. Yukimura: If somebody was in there, they could have been hurt?

Mr. Rapozo: Yes.

Mr. Furfaro: Yes, the rod iron expands in the concrete and it has nowhere to go, but pop.

Ms. Yukimura: Was there a way to detect this kind of problem before it happened?

Mr. Furfaro: There are ways, yes.

Mr. Yukimura: I really appreciate the response to fix the problem. But I guess, I am worried about how far along it was before something happened and how we could prevent this from happening, if somebody potentially could have been hurt by something like that. Do you know or will you be instituting any plans for this kind of detection or maintenance?

Mr. Rapozo: Well, at Kapa'a Pool we are aware and that is it. But at the Waimea Pool we are taking steps that would continue to show, to try to do maintenance at Waimea Pool to prevent something like this and not lose the facility.

Ms. Yukimura: When was the last time the pool was repaired?

Mr. Rapozo: I do not know. I did not look into that. I am not trying to look, but I am trying to fix it. It must have been long enough, over ten (10) years because nothing was done.

Ms. Yukimura: The reason I ask is because when I was Mayor we did a major renovation of the Kapa'a Pool and I am hoping that was not the last time it was renovated.

Mr. Rapozo: Well, I was pretty involved with that renovation and provided volunteer labor to redo the roof.

Ms. Yukimura: When I was Mayor?

Mr. Rapozo: We did the roof. We took out all of the asphalt to pour the cement.

Ms. Yukimura: Oh, excuse me and thank you. We put a handicapped lift inside so people could get into the pool. I will just make a request because I guess it is not just pools that I am concerned about. It is just about how we do a regular detection/maintenance of all of our facilities. Thank you.

Mr. Rapozo: That is the intent of our Planner this coming year.

Mr. Furfaro: Can I add something Mr. Kagawa?

Chair Kagawa: Chair, go ahead.

Mr. Furfaro: Normally, because cement is very porous and this is an indication that the ribbed iron is rusting because it is damp. So, usually you see the piece that is exposed starts to rust and the piece in the concrete starts to bleed through the concrete. So, it starts to look like rust.

Mr. Rapozo: It looks like a running brown, exactly.

Mr. Furfaro: So, that is the beginning of the clues.

Mr. Rapozo: Actually, if you look on page 3 of the handout that I gave you, which you have a better picture. The picture on the left is what the explosion was. It is a pipe that was in the middle of that concrete column and that is what seems to have expanded and that is what fell down.

Mr. Furfaro: But this is a photo, you see it begin to bleed there.

Mr. Rapozo: Yes.

Mr. Furfaro: I do not know what page this is. Page 4, up in the left hand corner, you can see where the laminated beam is sitting on the concrete. But in the concrete there is ribbed iron and it is bleeding through with rust. That is the clue.

Mr. Rapozo: Yes.

Chair Kagawa: Thank you. Members, any more questions?

Ms. Nakamura: I have a question.

Chair Kagawa: Councilmember Nakamura.

Ms. Nakamura: On the plan, you show that revetment up against the pool.

Mr. Rapozo: In the plan?

Ms. Nakamura: The existing rocky shoreline revetment.

Mr. Rapozo: Yes, okay.

Ms. Nakamura: I wanted to ask you, what is the condition of that revetment and how is that impacting our not impacting the pool?

Mr. Rapozo: It does not seem to impact because we also checked this wall here and the wall is something new, this is a hollow tile wall. Because we did not want to put the shower on the wall if the wall was going to fall down. But the rocks are holding up okay. It looks okay.

Ms. Nakamura: At one point we had a conversation about the pool eroding.

Mr. Rapozo: Actually, we talked about this parking lot over here. I think this was about three (3) years ago, that it undermined it and then a small portion of this parking lot fell in, eroded over there. Then the car reversed and kind of fell into that little *puka* over there.

Ms. Nakamura: But the section along the pool...

Mr. Rapozo: Looks like it is okay.

Ms. Nakamura: Looks okay?

Mr. Rapozo: Yes.

Ms. Nakamura: Okay. That was, I think, what spurred the discussion too about the need for a long term solution because this is really the temporary fix

Mr. Rapozo: Yes, until we can get something.

Ms. Nakamura: Until a new site is located and there is nothing in the proposed Capital Improvement Projects (CIP) to address that long-term solution.

Mr. Rapozo: Yes.

Ms. Nakamura: What is your thinking in terms of timing to begin to explore those solutions?

Mr. Rapozo: I think we had said three (3) to five (5) years yesterday.

Ms. Nakamura: Three (3) to five (5) years?

Mr. Rapozo: Yes. But we would start the process if we get it funded in the CIP, we will definitely start the scope with planning and development to move forward.

Ms. Nakamura: That is the thing, I do not see it in the CIP. Funding to do...

Mr. Rapozo: It was, we talked about that yesterday.

Ms. Nakamura: I saw funding for the fix.

Mr. Rapozo: Oh, I take that back.

Ms. Nakamura: The four hundred thousand dollars (\$400,000).

Mr. Rapozo: No, I thought I saw something in there. I will double check.

Ms. Nakamura: Could you double check, Lenny?

Mr. Rapozo: Yes.

Ms. Nakamura: Because we know it is going to be a long process.

Mr. Rapozo: I know on page 74 of my CIP presentation last year, I had the Project Initiation Document (PID) in there to site a new Kapa'a Pool.

Ms. Nakamura: I know there was.

Mr. Rapozo: I will go double check.

Ms. Nakamura: But I do not see it in this year's CIP and wanted to double check with you if that was your intent. Thank you.

Chair Kagawa: Members, I want to remind you we are going to defer this item and if you have any other questions in two (2) weeks, we can take it up. Lenny, I just have a couple of questions. We have enough money in our budget right now to do this fix?

Mr. Rapozo: Yes.

Chair Kagawa: What is that amount?

Mr. Rapozo: Immediately we are use some of the 209 Fund to do the demolition and some of the 209 Fund will also pay for the Porta-Potties. As Councilmember Nakamura had mentioned, there are some moneys that were put into the CIP to help purchase the temporary trailers that we are looking at.

Chair Kagawa: Thank you.

Mr. Rapozo: We are also exploring the type of trailers that you had at the other Council building, just to see cost-wise if it might be worthwhile because typically these type of trailers that were here, you take them off the chassis, you sat them down, then later on you have to take them away. The type that you folks had down there is already on a trailer and who knows, maybe someday we use it for some other things in the County. We are exploring the cost to get it to Kaua'i as well, just trying to look at all options as we are moving forward on this.

Chair Kagawa: Lenny, if you can kind of just refresh me on the dates, the date of demolition, we scheduled for is?

Mr. Rapozo: I do not have a schedule.

Chair Kagawa: A projected schedule?

Mr. Rapozo: I just got through talking to the contractor on Monday about the BMP's we were working through. So, we are going to start moving forward now. I already put in an application for a demolition permit with Public Works and they are helping me work that through. So, as soon as we get the permits and all of that coordinated we will be demolishing.

Chair Kagawa: You think in maybe a couple of months?

Mr. Rapozo:
that we will be demoing.

Oh, no, I am hoping by the end of this month

Chair Kagawa: Terrific. The last question, after demolition is done, when do you think we might be able to go forward with installation?

Mr. Rapozo: Well, the trailers, we just got a price as to what we want and they quoted us twenty-one thousand dollars (\$21,000) per – that does not include the shipping and putting it on the site. So, we are doing the research on that to see it is going to take to get it there. Meanwhile, like I said, we are trying to contact the other company for the type of trailers that you had at the other Council site, to see what it would cost and give us an idea, a comparison.

Chair Kagawa: Do you think maybe by the end of the year?

Mr. Rapozo: Oh, no. If we do the one in Honolulu, I think two (2) month turnaround. That is what they were saying.

Chair Kagawa: That would be terrific, Lenny.

Mr. Rapozo: We want to push this. We want to get it done. We are hoping to do it as quickly as possible because the pool is used by him, me, and at 7:30 a.m. there is a group there doing water exercises. There is always a use for that and we still want to do instructions and everything for our programs. So, it is a priority to us to get it done as soon as possible.

Chair Kagawa: Thank you. I just want to leave with – there is a lot of people in the community who have been really asking about the pool. We also heard some people say, “Why are we putting moneys into something in the flood or tsunami zone?” But the new pool is not going to come up for a while. It is going to take time. We do not even have the site located. It is great that you folks have an urgency to fix what we have right now.

Mr. Rapozo: You know what is so funny, Councilmember Kagawa? We talked about Hanamā‘ulu Pavilion that in is in the Federal Emergency Management Agency (FEMA) flood zone and you know Kapa‘a Pool is not in the flood zone? Go figure. The ocean is right there, go figure. I do not know. You just assume because it is next to the ocean.

Chair Kagawa: So, Lenny is it okay in two (2) weeks if we go over Waimea and any further questions on Kapa‘a?

Mr. Rapozo: Yes.

Chair Kagawa: Thank you. If you cannot, we can always defer it. But we want to get an update on Waimea since that is also an old facility and just get an update on where we are going. Members, any further questions for Lenny?

Mr. Furfaro: I just have one.

Chair Kagawa: Go ahead, Chair.

Mr. Furfaro: You might want to check Civil Defense as you upgrade the areas. I think there is a condition that deals with an atoll reef and

the barrier reef that the Kapa'a Pool has, they start the measurement from the outer reef.

Mr. Rapozo: I think you are right, that is what Ian had kind of mentioned.

Mr. Furfaro: It would be good to check with the Fire Department.

Mr. Rapozo: Yes, you are right.

Mr. Furfaro: Thank you, Mr. Kagawa.

Mr. Rapozo: Thank you, Chair.

Chair Kagawa: Thank you, Lenny. Is there anybody from the public who wishes to speak on this matter?

There being no objections, the meeting was called back to order, and proceeded as follows:

Chair Kagawa: Seeing none, can I have a motion to defer?

Upon motion duly made by Ms. Yukimura, seconded by Mr. Bynum, and unanimously carried, PWPR 2013-11 was deferred.

Bill No. 2470 A BILL FOR AN ORDINANCE AMENDING SECTION 23-3.7 OF THE KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO CONCESSIONS AT SPOUTING HORN (*Parks and Recreation Improvement and Maintenance Revolving Fund*) [This item was deferred.]

Ms. Yukimura moved to approve Bill No. 2470, seconded by Mr. Bynum.

Chair Kagawa: Councilmember Yukimura, you want to give us some dialogue?

Ms. Yukimura: Actually, I have a amendment as circulated to propose as circulated. It is based on the County Attorney's input on the wording. It does not change the substance of the Bill.

Chair Kagawa: Would you like to kind of just brief us on what the amendment is?

Ms. Yukimura moved to amend Bill No. 2470 as circulated, seconded by Mr. Bynum.

Ms. Yukimura: Like I said, it is just a wording change. But the essence of this whole Bill is that Council approval would be required for expenditures of moneys from this particular fund.

Chair Kagawa: Thank you. Any further discussion on this amendment? Chair.

Mr. Furfaro: Oh, I am not on the Committee.

Chair Kagawa: Councilmember Nakamura.

Ms. Nakamura: Well, I wanted to just go back to the original intent when this fund was created. My understanding was it was to give Parks and Recreation some flexibility in dealing with maintenance issues. I wanted to ask members who were here at the same time, to kind of explain the intent behind this because I think this may change that intent.

Chair Kagawa: Chair Furfaro.

Mr. Furfaro: Yes. The idea, again, was to earmark some money for the Parks Department so they could respond to small repairs, small equipment without having every item come back to the Council. Now, I would suggest if you want to pursue this, maybe from this fund for anything that is more than ten thousand dollars (\$10,000), they come back to the Council for. But I do not think you want to find yourself – I mean Lenny wants to buy two (2) weed whackers and we have an agenda item at the Council. That was the intent.

Chair Kagawa: Councilmember Yukimura.

Ms. Yukimura: Yes, I think we can accomplish that purpose. I would rather see it like a Repair & Maintenance (R&M) fund line item in our budget or in this fund. I think we actually should take it up at budget time. But not only at budget time because the way it is written here, as I understand it, they do not have to go through a Bill appropriation process they do have to just come for approval. My thinking is that we put a fund of – you could put even up to one million dollars (\$1,000,00), if at budget time, they come and justify that there is a plan for repair or there would be small repairs. But the amounts of money that are in this fund, I feel, should be approved of and there should be some accountability. We could do a line item that is a discretionary fund of sorts for repairs. We can put from five thousand dollars (\$5,000) to one million dollars (\$1,000,000) for discretion of the Parks people. But we could also set aside chunks of it for certain projects that are explained to us that fit in priorities of Parks and are coordinated with the other budget moneys.

Chair Kagawa: Councilmember Hooser.

Mr. Hooser: I support the intent certainly and expect to support the amendment here. But I believe it needs to be corrected. If you look at the bracketed items that are deleted, the first bracket starts Section 23.23, that bracket should be moved over and precede the word “the.”

Ms. Yukimura: You are right.

Mr. Hooser: And that takes out that Section. Then I believe that amendment is corrected. I would be happy to share that with staff, if everybody agrees.

Ms. Yukimura: Thank you, I am sorry.

Mr. Hooser: It is alright.

Chair Kagawa: Councilmember Bynum?

Mr. Bynum: I have a different question. I think part of the intent here was to have a fund available that could be accessed rapidly. I do not know how I would feel about this because it still could be accessed fairly rapidly compared to doing a money bill. But the part that is deleted says, "are hereby deemed appropriate upon receipt" and that language is taken out. Then this language "upon approval," well, what kind of approval. Usually we have to do a money bill for money approval. To make it available quickly, do we not have to have that language in. I guess this is an Attorney question, that says it is hereby deemed appropriated, right, because that is what allows for the rapid expenditure. This change would say, "You have to ask Council" which we can do in a one (1) posting compared to a Money Bill that takes forever. But I also like what Councilmember Furfaro said, that if it is under a certain amount, let them go for it. If they want to expend one hundred thousand dollars (\$100,000), then yes, there should be some oversight. But I want to honor that rapid expenditure thing and I just have a question technically about whether this accomplishes that, when you take out the language that says, "funds are hereby appropriated?"

Chair Kagawa:

Chair Furfaro, go ahead.

Mr. Furfaro: Thank you very much. I think there is another thing we want to understand. I think I made a presentation with a definition of the general accounting principle of Repair & Maintenance. They cannot be using money for something that is an acquisition of a new asset that will be carried on the books and so forth, that is where we all went astray. There has to be some reference to purchases for Repair & Maintenance that meet the Generally Accepted Accounting Principles (GAAP) of less than ten thousand dollars (\$10,000), something like that. I will leave my comments at that. I have to make a return phone call.

Chair Kagawa:

Councilmember Nakamura.

Ms. Nakamura: Well, the other option is to get rid of this special fund. If you wanted to come to the Council for the review of how the funds get spent and increase the line item for Repair & Maintenance, which gives Lenny the flexibility anyway to do that. If we are seeking greater scrutiny, than why do we have this special fund?

Mr. Furfaro:

Can I expand on that?

Chair Kagawa:

Councilmember Furfaro, go ahead.

Mr. Furfaro: We just had a presentation on the repairs for the Kapa'a Pool and I said to the Vice Chair, even on this one I have to go and talk to Steve because we are buying assets, portable toilets and so forth. It might be a Repair & Maintenance for the Kapa'a Pool, but at the outcome, having twenty-one thousand dollars (\$21,000) portable bathrooms is not a Repair & Maintenance, not in under any general interpretation of R&M. So, we have a problem. I think the Parks Department needs that item, but we need something that really clarifies what "Repair & Maintenance" is under Generally Accepted Accounting Principles and we are going to have that challenge after seeing Lenny's plan because he said he was going to use the fund for some of the emergency responses to the Kapa'a Pool. Thank you very much and I am going to slip out.

Chair Kagawa:
Rapozo.

Thank you, Mr. Chair. Councilmember

Mr. Rapozo: Thank you. I am a non-member of the Committee, but as someone that was here during the original Bill, it all started when we renegotiated the rents over at Spouting Horn for those lessees. We wanted to ensure that those funds would not just go into the General Fund to be spent on non-park issues. I cannot remember if it was Councilmember Nakamura that showed me some of the minutes of the discussion that we had. But it was really to give the flexibility to the Parks Department so that they could utilize these funds, like for the Kapa'a Pool project. I guess my suggestion and again I am not on the Committee, but I think I share some of the concerns of the Chair that when we are purchasing assets. If we are going to purchase assets there has to be a process if it is going to be used for Kapa'a Pool as a maintenance issue, at some point that asset is going to be transferred probably to Public Works or wherever it may be. But there is probably a process in-house through Finance. I guess I would suggest that the Committee maybe defers this one (1) more time to get that language. I like the direction the Chair was talking about relating it back to the general accounting principles. So, you would give the flexibility as needed, but also ensure those funds are not used for non-authorized uses. But I would agree that the Parks Director should have that flexibility without have to run to the Council every time he needs to repair a restroom. I think that would cause, especially that whole process takes three (3) to five (5) weeks and he should have that flexibility. Again, but I do believe that the wording has to be strengthened so that it limits the expenditures to what the original intent of Repair & Maintenance was.

Chair Kagawa: I just have a comment that when we mentioned using it for the pool repair, we have to remember if you read the language it says, "may be expended for improvements and maintenance projects." So, not only Repair & Maintenance. I would think that while maybe challengeable, looking at the Kapa'a purchase of those Porta-Potties, it would be an improvement to the current condition of the restrooms. So, it is pretty gray. But I would think that it would be okay to use those funds in that situation under this Bill. Councilmember Yukimura.

Ms. Yukimura: Yes, I want these moneys to remain in Parks. I think that was the original intention and that is why to remove the fund altogether and allow it go into the General Fund, would not, I think, be a good policy call. But I think there needs to be accountability and therefore I think Council approval should be gotten. We can approve it in big chunks. I would prefer not to try to make the improvements versus repairs distinction because that is a judgment call. I would rather that it be approval by project, renovation of the Kapa'a Swimming Pool, rather than talk about whether Porta-Potties are improvements or repairs or anything like that. That is why I think it makes sense for Public Works and say we want to do this project, we want to use these funds for these projects. Even if it is an acquisition or capital expenditure, if it is in line with the priorities it might be okay. But I think it should be considered all together with all of the Parks moneys and all the Parks projects, we put in a repair item so they do not have to come to us for weed whackers and so forth. But every year, we see how those moneys are going to be used and we make sure that the priorities are vetted publicly and also with the Council.

Ms. Nakamura:

Follow-up question.

Chair Kagawa:

Councilmember Nakamura.

Ms. Nakamura: Are you suggesting that the time of the approval coincides with the budget process?

Ms. Yukimura: Not necessarily. I can see them happening throughout the year and without an appropriation first reading, second reading, public hearing. But at budget time, we would take an overall look at the fund and see if it might also be at the budget time, we might want to draw some moneys from the fund to appropriate for certain things. I am trying to strike a balance between rapid approval as needed, but also consideration at budget time. It would mean like we would do with the Highway Fund and we would see major allocations. But at budget time we could give a big chunk, like I say, whether it is from five thousand dollars (\$5,000) to fifty thousand dollars (\$50,000) to one hundred thousand dollars (\$100,000) for repairs. Once upon a time we put in one million dollars (\$1,000,00) for neighborhood center repairs because we thought that that area of neighborhood centers had not been looked at for a long time. So, we did that, but we allowed them through their priorities, to determine how to do those neighborhood repairs. I believe it was a lump sum or you could just do a Repair & Maintenance fund in the discretion of the Director.

Chair Kagawa:

Councilmember Bynum?

Mr. Bynum: I was to make sure I understand this. We established this fund so the funds do not lapse. They stay in there. I like keeping it in Parks. I like keeping Parks having a considerable amount of flexibility and then this tissue about improvements, I am thinking about history. When I was really involved with Friends of Kamalani, we saw that a lot families were using this one pavilion for family parties. We thought, would it not be great if they had a big family size big barbeque? We had funds, so we bought it, and we put it in and the of Parks. It lasted about eight (8) year. If the Parks Director and staff said all of these people are doing this and wanted to spend five thousand dollars (\$5,000) or eight thousand dollars (\$8,000) for an improvement to the park, the usability, I would love for him to have that latitude. Same like for Adopt-A-Park, maybe the Director says we have so many great volunteers, and this was in the budget at one time, let us have recognition reception and spend five thousand dollars (\$5,000) to recognize those people. I would like him to have that latitude and not have to come here. On the other hand, if he wants to spend two hundred thousand dollars (\$200,000) on a project out of that fund, I think that is something that we should dialogue with about. I kind of like where Chair Furfaro was going with this. If it is over fifty thousand dollars (\$50,000) you have to come and ask us. But under that, you have you latitude. Of course, I am looking at Lenny because what he desires is important too. I mean, there have not been a problem with this that I am aware of since we established this. But I have the technical question what is an improvement? Then especially, the way it is written, it is deemed appropriated when I could spin it right now. That is unusual, but I think it fulfills a good purpose.

Chair Kagawa:

Councilmember Nakamura.

Ms. Nakamura: Just in response to Councilmember Bynum. I do not think the way the Bill is written, the amendment is presented, it accomplishes what you just described.

Mr. Bynum:

It would need an amendment.

Ms. Nakamura: Right. I think it would be helpful to have the Director of Parks and Recreation here to get his feedback and possible suggestions in what would give him some flexibility. I think the other pieces, you may not have been here, Councilmember Bynum, when we talked about the various uses of these funds, that some of them have pretty major implications. I think that was the concern.

Chair Kagawa: Lenny, I guess if you could provide some of your comments on this Bill and the amendment.

Mr. Rapozo: I think listening, we are trying to determine if the moneys are spent appropriately. I provided, in my last presentation, as to what the current projects are going. It all goes to Parks. It does not go to in place else but Parks. Maybe it does not fall in the terminology of generally accepted accounting principles, but it goes to Parks. That is the bottom line and I think that is what everybody wants. Now, with the talk of these caps, it will put a time constraint in reacting to emergencies. I am going to give you an example. We all believe that construction is down and we should be getting better bids. But it has not happened in some of the things that we have been going after. So, what we anticipated in the past when things were down we were getting great bids at cheap rates. I will give you two (2) examples. The comfort station in Po'ipū, we had thought it would cost us about forty thousand dollars (\$40,000). Well, we were about fifty thousand dollars (\$50,000) short. Having this fund enabled us to provide another letter to Steve and the Mayor saying that this is what we are going to use it for, we accessed the money, moved forward with the contract as opposed to having to come here. Same thing with the Golf Course, we put a package together and even that was short fifty thousand dollars (\$50,000) to fund the repairs of the drains and the scoreboards. So, it allowed us to access this fund to get it over. That kinds of response to move the contract forward, I think is what really helps us with this fund. In terms of knowing what projects, and I had said this in your last discussion, I am willing because we have tried our best to leverage as much money as we can to help minimize or help the General Fund's liability to see what projects can fit to this account. I can provide this letter to you to show you in the upcoming year what our planned project areas. We try to the best of our ability, as I showed, to try to maximize that account as best as we can. The amount in the pot is high and I believe it is because nobody started to use this pot until I became Director and there was a lot in there. We started to use it and the way the finances were, the Finance Director also wanted to leverage some stuff with Parks in order for us to get the parks. With that being said, I think the intent is for Parks to be able to put this money into parks. I think we have done that. We may have not fallen under some of the definitions as was placed here and as I said before we can do a better job if we are allowed to continue. We keep mentioning Kapa'a Pool, in my opinion the maintenance of the pool is to knock down what is not good. But if part of the maintenance of the pool to allow the pool to continue to operate is to buy these portable trailers. We can sit here and have the discussion and is he probably right about generally accepted accounting principles, but I think my intent is for the park and for the facility. Other than that, I mean, I will leave it at that. I think the intent in what we have continue to do is to use that money for the parks and I think that is what we have done.

Chair Kagawa: Steve, you have anything to add?

STEVEN A. HUNT, Director of Finance: Yes, I just wanted to address, there are situations when Ordinances differ from GAAP principles and it is not an audit finding, it is not any kind of reconciliation that we have to go through,

it is footnoted. It is possible and I think the intent is there are situation where maybe Operating Budget would be more appropriate, but in an emergency situation, when you need to acquire it and you do not have Operating Funds, that is why you go to this. We have on a longer range plan we have by district we have special funds that are available. But in certain cases you may not have enough funding in one (1) particular district because there is not develop going on, but you need to attend to a park in that district. Again, this is where you can use those funds. I think the intent was correct in this establishment of this fund was to give that latitude where it is a stop GAAP either from CIP project or Operating Budget standpoint, it does not fit within the scope of your immediate needs. That is where this fund comes in and the fact that included the words "improvement" rather than "Repair & Maintenance, " I think that was the intent and not necessarily to go against GAAP principles. It was to give the flexibility to say maybe a purchase of a piece of equipment does not fall under CIP or this improvement is not a repair. But have you that latitude to do it.

Chair Kagawa:

Questions? Councilmember Nakamura.

Ms. Nakamura:
language as it is?

Lenny, would you prefer to keep the

Mr. Rapozo:

Yes.

Ms. Nakamura: You would like to have that flexibility without having to come to the Council for any amount?

Mr. Rapozo: Yes. But the one (1) concern that I have listening, and I am not sure if that is going to be the intent of the Bill., if this is made as part of the budget process. My understanding at the end of each year, moneys would lapse. So, would these moneys lapse in projects that we identify, if that is the direction that we are going to go, if it becomes part of the budget process? That is my concern too.

Chair Kagawa:

Further questions? Councilmember Hooser?

Mr. Hooser: I do not know if it is a question or not. But to me it seems like the issue for want of a better way having a slush fund as opposed to firmly budgeted items and I think that is where the issue is. We have a fund you can draw upon with no oversight and no budget as opposed to a regular budgeting process. Is there any suggestions you have to eliminate the concern that the Council has on that?

Mr. Rapozo: As far as oversight, the Finance Director and the Mayor approves it. So, there is oversight. Maybe it does not come across this side as your oversight. So, there is oversight.

Mr. Bynum: But the Council by Charter has the responsibility of approving the budget and having budget oversight. I think that is what is trying to be accomplished right now and so if you have suggestions on how we might accomplish that, rather than an open ended checkbook to a fund that we do not know what is coming and going and what is being spent.

Mr. Hunt: To that point, you are right. These are for non-budgeted items and that is particularly why, "slush fund" is probably not a great term, but as a contingency, if you will, for things that were not covered that

you need to immediately addressed or that were overlooked in the planning. Again, with the Po'ipū, I do not think there was an intent to replace the roof until they backed into it and realized, now it was health and safety. It was not budgeted, it was assumed that that particular structure was in good working order, to immediately find out it is not and you have to address it.

Mr. Hooser: I would think though, that every Department has to plan for unexpected circumstances and then therefore would have some kind of contingency fund or some kind of cushion to do those kinds of things. This seems to fall outside of that because every Department is going to have a similar situation, unexpected expenses and either they have to have a money bill or go within their Office. I agree. I think fundamentally, the fund should be budgeted so it is transparent and I am not sure how to accomplish that actually. But I think that is the intent of that certainly. Thank you.

Chair Kagawa: Thank you. My basic observation of this Bill is that we have a Bill in front of us that is leading to more transparency. However, we have the Administration here that is recommending that they be given more flexibility to deal with emergencies. It is a hard decision. If we want that transparency, that oversight, then we approve the Bill as amended. If not, we just leave it as is. Councilmember Yukimura, go ahead.

Ms. Yukimura: I think both yourself, Councilmember Kagawa and Councilmember Hooser have really clarified. I think it is about being able to budget the funds in coordination with the other moneys and we could budget an emergency fund of one hundred thousand dollars (\$100,000) if you wanted to and say these are for things like Po'ipū or Kapa'a Swimming Pool or so forth. But these funds, until recently, were like about two million dollars (\$2,000,000).

Mr. Furfaro: That was four (4) years of collections.

Ms. Yukimura: Even if it is half a million every year, five hundred thousand dollars (\$500,000) every year, to me, given the urgency of really good Parks budgeting overall, it should be moneys considered and prioritized with our needs. So, that is my thinking. Thank you.

Chair Kagawa: I guess continuing, as I thought about what I said, is there is no other Department like the Parks where we have Parks people doing improvements and we have damages done to those things. Lenny, is always faced with the toughest job because when we do things, a lot of damage from people doing stupid things out there, it happens at the parks and we have a lot of unforeseen expenses. That is why Lenny is asking for that latitude. Chair Furfaro.

Mr. Furfaro: I also want to say, you have an opportunity to address this in the third largest Division that we have, that has all the touch and feel from the public and so forth. But shame on you folks for not using it the way it was intended, that you are putting four hundred thousand dollars (\$400,000) back in sprinkler systems and reroofing a pavilion. That was the intent of using it. I am still at a point that you should have it for R&M and you should have a ceiling on what you can spend without coming to the Council. You want to respond to a six thousand dollars (\$6,000) sprinkler repair, do it. But if you want to come in and buy a tractor with it, we are out of the General Accepted Accounting Principles of what we should be spending it for. I just say, I wish in hindsight each year we had put the R&M money back in fixing a spalling rebar that cracked, sprinklers, and roofs, that is what it was intended for. I am fine with that intent, but there should

be a statement about Repair & Maintenance and items that are greater than ten thousand dollars (\$10,000).

Chair Kagawa:

Councilmember Yukimura.

Ms. Yukimura: I am willing to work on an amendment that might try to address the Chair's concerns. I know it would be unusual to report it out to the Council floor. But I wondered if in this case we might want to do that.

Mr. Furfaro: If it gets out of Committee and we want to revisit it at the full Council, that is unusual. But I would be open to it.

Ms. Yukimura: Just because I think there is some urgency to pass some kind of Bill.

Mr. Furfaro: Yes.

Ms. Yukimura: I do not want to prolong the discussion. I was supposed to be out of here earlier that is why.

Chair Kagawa: Councilmember Bynum.

Mr. Bynum: Well, I do not understand the urgency. But I would like to work on some amendments that address the Chair's concerns and Lenny's concerns because I think there is a common ground.

Ms. Yukimura: Chair, maybe we just go for two (2) weeks?

Mr. Furfaro: It is an unusual request. But I feel that is probably the best move right now.

Ms. Yukimura: Chair, what I am saying is maybe we should go the regular route of back to Committee. Are you okay with that?

Mr. Furfaro: I understood you when you said two (2) weeks.

Ms. Yukimura: Thank you. With that then, Committee Chair, maybe we just defer this Bill even without correcting the error in my amendment. I can do that in a new amendment. If we just defer this to the next Committee Meeting in two (2) weeks, I will work on some amendments.

Chair Kagawa: Councilmember Nakamura.

Ms. Nakamura: Well, the Chair brought up this cap of ten thousand dollars (\$10,000). What I am concerned about is that in the situation with Po'ipū Beach Park, you needed fifty thousand dollars (\$50,000) more to repair the roof that if we had used that as a cap, that would have added even more time to this one (1) yearlong fix.

Mr. Furfaro: Can I clarify myself. I am saying, if it is more than ten thousand dollars (\$10,000), you come to us, not with a Bill, just with an approval. Not with a new money bill. You just come to us for an approval so we know what the heck is going on. Perhaps I did not clarify myself. I was not asking

for a money bill. R&M is bigger than ten thousand dollars (\$10,000), you better tell us because I am sure we are going to hear from constituents.

Mr. Hunt: To clarify that then, in this case the funds would remain outside of the Operating Budget in the 209 Fund. It is just expenditures above that would come?

Mr. Furfaro: You have to come here and tell us about it.

Mr. Rapozo: It could be an added signature on the letter, on the request?

Mr. Furfaro: Discussed in the Committee, it has not gotten to the full Council yet. But that is my position.

Chair Kagawa: You still have the floor Councilmember Nakamura.

Ms. Nakamura: Yes. It that ten thousand dollars (\$10,000) amount still that to me, I think because this fund generates approximately five hundred thousand dollars (\$500,000) a year, could we also – I am just talking out loud about the possibility about if we just say twenty-five percent (25%) of any balance in the fund could be used for maintenance and repair. But that seventy-five percent (75%) remaining would be subject to a Council review and approval.

Ms. Yukimura: That is why I wanted to take another two (2) weeks to figure out some amendments.

Ms. Nakamura: Yes, and there are different ways to – do you have any response to that? Would that be more difficult to administer?

Mr. Hunt: If I am clear, the fund balance or the moneys coming in from any particular year or both?

Ms. Nakamura: We could look at the fund balance and say, let us say if you have one million dollars (\$1,000,000) in there for that year, two hundred fifty thousand dollars (\$250,000) can be used for maintenance and repair without having to come. But the seven hundred fifty thousand dollars (\$750,000) would require some sort of budget on how you are going to use those funds. Is it a verbal approval? It would be a communication approval versus an Ordinance.

Mr. Hunt: Would that be tied to any particular point in time so after their first draw, would it be twenty-five percent (25%) of the remaining balance? Seriously, I am just working through that, if it is a point in time at the beginning of the fiscal year or whatever it is, then there is an amount hard capped because as we get smaller draws coming through then that balance dwindles.

Ms. Nakamura: It would be in conjunction with the fiscal year and that way we will have a plan that is reviewed at the time we do the budget just for the seventy-five percent (75%).

Mr. Hunt: It might make more sense just to have a hard cap, two hundred thousand dollars (\$200,000) or whatever the amount is, the first is discretionary and beyond that then Council approval is required.

Ms. Nakamura: That makes probably more sense.

Mr. Hunt: From an Administrative point, it would make it easier.

Chair Kagawa: Thank you, Councilmember Bynum.

Mr. Bynum: I think it is helpful to brainstorm because what I was thinking after listening to Steve and Lenny was, any expenditure over one hundred thousand dollars (\$100,000), the Council gets informed immediately, anything over two hundred thousand dollars (\$200,000) requires Council approval and should the fund exceed one million dollars (\$1,000,000) at the end of the fiscal year, the amounts over one million dollars (\$1,000,000) over goes to the General Fund which would incentive Parks to do what the Chair said, make sure you use that money for Parks because it can be used for improvements. There is always improvements. It is like let us gets a better sign than that one that is fifty (50) years old. They can be aesthetics improvements. I like the idea of giving him huge flexibility up to two hundred thousand dollars (\$200,000) and then above, but not let the fund ever go above one million dollars (\$1,000,000). Just for your information (FYI), I believe the next time the bids come back, they are going to be lower, significantly then what we had last time. They happened at a period of time where there was a lot of attention on Spouting Horn, the economy had not really shown its colors so to speak. I just think we are going to get a lot of minimum bids. There are people down there that are ready to say, if I cannot get a bid at this, I cannot stay in this business. Anyway, I like those parameters that give him more latitude, but do not allow some future Director of Parks and Recreation to let it build up to three million dollars (\$3,000,000).

Mr. Kagawa: With that, our plan is to defer. I do not want to beat this issue up too much because we are going to probably revisit it in two (2) weeks. Councilmember Yukimura, go ahead.

Ms. Yukimura: I am ready to make a motion to defer, if that is okay? I do not want to stifle any urgent conversation.

Chair Kagawa: Go ahead.

Upon motion duly made by Ms. Yukimura, seconded by Mr. Bynum, and unanimously carried, Bill No. 2470 was deferred.

Chair Kagawa: We deferred another item. I guess the Public Works / Parks & Recreation Committee has not accomplished much, but we are adjourned.

There being no further business, the meeting was adjourned at 5:15 p.m.

Respectfully submitted,



Allison S. Arakaki
Council Services Assistant I

APPROVED at the Committee Meeting held on May 1, 2013:



ROSS KAGAWA
CHAIR, PWPR COMMITTEE